



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5

77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

MAR 31 2005

REPLY TO THE ATTENTION OF

(AE-17J)

**CERTIFIED MAIL**

**RETURN RECEIPT REQUESTED**

Tony Sullivan  
Barnes & Thornburg  
11 S. Meridian  
Indianapolis, Indiana 46204

Re: In the Matter of Citation Corporation, Butler, Indiana

Dear Mr. Sullivan:

Enclosed is a fully executed original of an Administrative Consent Order.

If you have any technical questions about this Administrative Consent Order, please contact Ms. Sarah Marshall, of my staff, at (312) 886-6-6797. Any legal questions should be directed to Ms. Tamara Carnovsky at (312) 886-2250. Thank you for your cooperation.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Brent Marable", with a stylized flourish at the end.

Brent Marable, Chief  
Air Enforcement and Compliance Assurance Section (IL/IN)

Enclosure

cc: David McIver, Chief  
Office of Enforcement Air Section  
Indiana Department of Environmental Management

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5**

<b>IN THE MATTER OF:</b>	)	
	)	
Citation Corporation	)	<b>Administrative Consent Order</b>
	)	
	)	<b>EPA-5-05-113(a)IN-07</b>
Proceeding Under	)	
Section 113(a)(3)	)	
of the Clean Air Act,	)	
42 U.S.C. §§ 7413(a)(3)	)	
_____	)	

**Administrative Consent Order**

1. The Director of the Air and Radiation Division, United States Environmental Protection Agency (U.S. EPA), Region 5, is issuing this Order to Citation Corporation (Citation) under Section 113(a)(3) of the Clean Air Act (Act), 42 U.S.C. § 7413(a)(3).

**Statutory and Regulatory Background**

2. The Administrator of U.S. EPA may promulgate regulations establishing National Emission Standards for Hazardous Air Pollutants (NESHAP) under Section 112 of the Act, 42 U.S.C. § 7412.

3. Under Section 112 of the Act, the Administrator promulgated the NESHAP General Provisions at 40 C.F.R. part 63, subpart A and the NESHAP for Secondary Aluminum Production at 40 C.F.R. part 63, subpart RRR.

4. The NESHAP, at 40 C.F.R. § 63.1500(a), states that the requirements of this subpart apply to the owner, or operator of each secondary aluminum production facility as defined in § 63.1503.

5. The NESHAP, at 40 C.F.R. § 63.1503, defines secondary aluminum production facility as any establishment using clean charge, aluminum scrap, or dross from aluminum production, as the raw material and performing one or more of the following processes: scrap shredding, scrap drying/delacquering/decoating, thermal chip drying, furnace operations (i.e., melting, holding, sweating, refining, fluxing, or alloying) ... For purposes of

this subpart, aluminum die casting facilities, aluminum foundries, and aluminum extrusion facilities are not considered to be secondary aluminum production facilities if the only materials they melt are clean charge, customer returns, or internal scrap, and if they do not operate sweat furnaces, thermal chip dryers, or scrap dryers/delacquering kilns/decoating kilns.

6. The NESHAP, at 40 C.F.R. § 63.1500(c), states that the requirements of this subpart pertaining to dioxin and furan (D/F) emissions and associated operating, monitoring, reporting and recordkeeping requirements apply to each new and existing secondary processing unit, containing one or more group 1 furnace emission units processing other than clean charge located at a secondary aluminum production facility that is an area source of hazardous air pollutants.

7. The NESHAP, at 40 C.F.R. § 63.1503, defines a group 1 furnace as a furnace of any design that melts, holds, or processes aluminum that contains paint, lubricants, coatings, or other foreign materials with or without reactive fluxing, or processes clean charge with reactive fluxing.

8. The NESHAP, at 40 C.F.R. § 63.1500(f), states that an aluminum die casting facility, aluminum foundry, or aluminum extrusion facility shall be considered to be an area source if it does not emit, or have the potential to emit considering controls, 10 tons per year or more of any single listed Hazardous Air Pollutant (HAP) or 25 tons per year of any combination of listed HAP from all emission sources which are located in a contiguous area and under common control . . .

9. The NESHAP, at 40 C.F.R. § 63.9(b)(2), requires the owner or operator of an affected source that has an initial startup before the effective date of a relevant standard under this part to notify the Administrator in writing that the source is subject to the relevant standard. The notification shall be submitted not later than 120 calendar days after the effective date of the relevant standard or within 120 days after the source becomes subject to the relevant standard.

10. The NESHAP, at 40 C.F.R. § 63.2, defines effective date with regard to an emission standard established under this part as the date of promulgation in the Federal Register of such standard.

11. On March 23, 2000, U.S. EPA promulgated the NESHAP for secondary aluminum production at 40 C.F.R. part 63, subpart RRR.

12. The NESHAP, at 40 C.F.R. § 63.1505(a), requires that an owner or operator of a group 1 furnace must comply with the limits in this Section.

13. The NESHAP, at 40 C.F.R. § 63.1505(k), specifies that the owner or operator must comply with the emission limit calculated using the equation for D/F in paragraph (k)(3) of this section for each secondary aluminum processing unit (SAPU) at a secondary aluminum production facility that is a major or area source.

14. The NESHAP, at 40 C.F.R. § 63.1505(k)(5), specifies that the owner or operator of a SAPU at a secondary aluminum production facility that is an area source may demonstrate compliance with the emission limits of paragraph(k)(3) of this section by demonstrating that each emission unit within the SAPU is in compliance with the emission limit of paragraph (i)(3) of this section.

15. The NESHAP, at 40 C.F.R. § 63.1505(i)(3), specifies an emission limit of 15 ug/Mg of D/F TEQ per mg ( $2.1 \times 10^{-4}$  gr of D/F TEQ per ton) of feed/charge from a group 1 furnace at a secondary aluminum production facility that is a major or area source.

16. The NESHAP, at 40 C.F.R. § 63.1510(b), requires that the owner or operator must prepare or implement for each new or existing affected source and emission unit, a written operation, maintenance, and monitoring (OM&M) plan, which must be submitted to the permitting authority by the compliance date established by § 63.1501(a) and must include the information specified by 40 C.F.R. § 63.1510(b).

17. The NESHAP, at 40 C.F.R. § 63.1501(a), requires that the owner or operator of an existing affected source must comply with the requirements of this subpart by March 24, 2003.

18. The NESHAP, at 40 C.F.R. § 63.1511(b), requires that the owner or operator of any existing affected facility for which an initial performance test is required to demonstrate compliance must conduct this initial performance test no later than the date for compliance established by § 63.1501(a) and report the results in the notification of compliance status report as described in 40 C.F.R. § 63.1515(b).

19. The NESHAP, at 40 C.F.R. § 63.1515(b) requires that each owner or operator of an existing affected source must submit a notification of compliance status report within 60 days after the compliance date established by § 63.1501(a).

20. Under Section 113(a)(3) of the Act, 42 U.S.C. § 7413(a)(3), the Administrator of U.S. EPA may issue an order requiring compliance to any person who has violated or is violating the NESHAP regulations. The Administrator has delegated this authority to the Director of the Air and Radiation Division.

### **Findings**

21. Citation owns and operates an aluminum foundry and die casting facility at 6378 U.S. Highway 6 West, Butler, Indiana (Citation-Butler).

22. Until December 31, 2004, Citation-Butler, an area source of HAP, melted dirty aluminum scrap in its group 1 furnaces and, therefore, was subject to the NESHAP General Provisions at 40 C.F.R. Part 63, subpart A and the NESHAP for Secondary Aluminum Production at 40 C.F.R. Part 63, subpart RRR.

23. On September 24, 2004, U.S. EPA issued to Citation a finding of violation alleging that Citation violated the NESHAP General Provisions at 40 C.F.R. Part 63, subpart A and the NESHAP for Secondary Aluminum Production at 40 C.F.R. Part 63, subpart RRR by failing to notify, failing to test affected emission units, and failing to develop and implement its Operation, Maintenance, and Monitoring (OM&M) Plan at its Butler, Indiana facility as required by 40 C.F.R. Part 63, subparts A and RRR.

24. On October 20, 2004, representatives of Citation and the U.S. EPA discussed the September 24, 2004, finding of violation.

25. In correspondence dated November 22, 2004, and December 20, 2004, Citation represented to U.S. EPA that it plans to discontinue the use of purchased aluminum scrap at Citation-Butler effective December 31, 2004. Citation asserts that after that date only ingot meeting the definition of clean charge, internal scrap, and customer returns will be charged into the melting furnaces at Citation-Butler. Citation also represented to U.S. EPA that it will not operate a thermal chip dryer, scrap dryer/delacquering kiln/decoating/kiln or sweat furnace at Citation-Butler.

26. Citation violated the NESHAP for Secondary Aluminum Production at 40 C.F.R. § 63.1510(b) by failing to prepare and implement an Operation, Maintenance, and Monitoring (OM&M) Plan for its Butler facility by March 24, 2003.

27. Citation violated the NESHAP for Secondary Aluminum Production at 40 C.F.R. § 63.1511(b) by failing to perform an

initial performance test on each of its existing affected emission sources for which an initial performance test is required by March 24, 2003, and report the results in its notification of compliance status report for its Butler facility.

28. Citation violated the NESHAP for Secondary Aluminum Production at 40 C.F.R. § 63.9(b)(2) by failing to timely notify the Administrator in writing that its Butler facility is subject to the standard.

29. Citation violated the NESHAP for Secondary Aluminum Production at 40 C.F.R. § 63.1515(b) by failing to submit a notification of compliance status report for its Butler facility within 60 days after March 24, 2003.

30. Citation violated the NESHAP for Secondary Aluminum Production at 40 C.F.R. § 63.1505(k)(5) by failing to demonstrate compliance with the emission limits of 15 ug/Mg of D/F TEQ per mg ( $2.1 \times 10^{-4}$  gr of D/F TEQ per ton) of feed/charge from group 1 furnaces at its Butler facility.

#### **Compliance Program**

31. By signing this Order, Citation hereby certifies that the only materials its Butler, Indiana facility melts are clean charge, customer returns or internal scrap as defined in 40 C.F.R. § 63.1503 and it does not operate sweat furnaces, thermal chip dryers, or dryers/delacquering kilns/decoating kilns.

32. By signing this Order, Citation hereby certifies that it will notify U.S. EPA in writing at least 30 days prior to charging any materials other than clean charge, internal scrap, or customer returns, or operating sweat furnaces, thermal chip dryers, or dryers/delacquering kilns/decoating kilns at the address below:

Attention: Compliance Tracker (AE-17J)  
Air Enforcement and Compliance Assurance Branch  
U.S. EPA, Region 5  
77 West Jackson Boulevard  
Chicago, Illinois 60604

33. By signing this Order, Citation hereby certifies that if it chooses to change its operations, as described in paragraph 32 above, it will fully comply with the NESHAP General Provisions at 40 C.F.R. Part 63, subpart A and the NESHAP for Secondary

Aluminum Production at 40 C.F.R. Part 63, subpart RRR.

### **General Provisions**

34. This Order does not affect Citation's responsibility to comply with other local, state, and federal laws and regulations.

35. This Order does not restrict U.S. EPA's authority to enforce Section 112 of the Act, or any other section of the Act.

36. Nothing in this Order limits U.S. EPA's authority to seek appropriate relief, including penalties under Section 113 of the Act, 42 U.S.C. § 7413, for Citation's violation of the NESHAP for Secondary Aluminum Production.

37. Failure to comply with this Order may subject Citation to penalties of up to \$32,500 per day for each violation under Section 113 of the Act, 42 U.S.C. § 7413, and 69 Fed. Reg. 7121 (Feb. 13, 2004) (amending 40 C.F.R. Part 19).

38. The terms of this Order are binding on Citation, its assignees and successors. Citation must give notice of this Order to any successors in interest, prior to transferring ownership, and must simultaneously verify to U.S. EPA, at the above address, that Citation has given the notice.

39. This Order is not subject to the Paperwork Reduction Act, 44 U.S.C. § 3501 et seq., because it seeks collection of information by an agency from specific individuals or entities as part of an administrative action or investigation.


40. U.S. EPA may use any information submitted under this Order in an administrative, civil or criminal action.

41. Citation agrees to the terms of this Order.


42. By signing this Order, Citation neither admits nor denies the specific allegations contained in the Findings section above.

43. This Order is effective on the date of signature by the Director of the Air and Radiation Division. This Order will terminate two years from the effective date, provided that Citation has complied with all terms of the Order throughout its duration.

3/28/05  
Date

  
[Name, Title]  
[Citation Corporation]

3/31/2005  
Date

  
Stephen Rothblatt, Director  
Air and Radiation Division

Enclosure



CERTIFICATE OF MAILING

I, Betty Williams, certify that I sent the Administrative Consent Order, EPA Order No. EPA-5-05-113(a)IN-07, by Certified Mail, Return Receipt Requested, to:


Tony Sullivan  
Barnes & Thornburg  
11 S. Meridian  
Indianapolis, Indiana 46204

Rod Parrish  
Citation Corporation  
600 West Main Street  
P.O. Box 80  
Butler, Indiana 46721-9604

I also certify that I sent a copy of the Administrative Consent Order, EPA Order No. EPA-5-05-113(a)IN-07, by First Class Mail to:

David McIver, Chief  
Office of Enforcement Air Section  
Indiana Department of Environmental Management  
100 North Senate Avenue, Room 1001  
Indianapolis, IN 46206

on the 31st day of March 2005.

  
Betty Williams, Secretary  
AECAS (IL/IN)

CERTIFIED MAIL RECEIPT NUMBER: 7001 0320 0005 2909 6745